

## **ESCONDIDO POLICE DEPARTMENT FINANCIAL CRIMES UNIT**

### **EMBEZZLEMENT EVALUATION**

1. **AMOUNT OF LOSS** \$97,073.45
2. **REPORTING PARTY**  
**Full Name:** Jann Yogman  
**Birth Date:** 3/16/1971  
**Address (Home):** 297 West 12<sup>th</sup> Street  
Apt. 3A  
New York, NY 10014  
**Telephone #:** 917-622-1911 (mobile)  
**Driver's License #:** 781 923 103 (New York)
3. **COMPANY/VICTIM**  
**Full Name:** New Year's Nation, LLC (Jann Yogman)  
**EIN #:** 36-4595771 (New York)  
**Address (Business):** 297 West 12<sup>th</sup> Street  
Suite 3A  
New York, NY 10014  
**Telephone #:** 212-924-9013 (office)  
**Driver's License #:** 781 923 103 (New York)
4. **SUSPECT INFORMATION**  
**Full Name:** Aaron Mortensen  
**Birth Date:** ??? (Approx. 22 years old)  
**Address:** 2700-65 East Valley Parkway  
Escondido, CA 92027  
**Telephone #:** 760-743-7976 ext. 11 (office)  
760-716-9360 (mobile)  
**SSN:** Unknown  
**Driver's License #:** Unknown  
**Bank Account Info:** Bank of America  
Account #: 2469408229  
**Spouse's Name:** Rebekah Mortensen  
**Vehicle Information:** Blue Honda Accord  
License Plate: 5LZM597  
**Physical Description:** White, Male, stocky, approx: 5'10",  
approx: 190 lbs., brown hair, large earlobes  
**Photo:** Available

**5. SUSPECT PROFILE**

**Job Title:**

Owner, E-Tickets Software, Inc.

Suspect has also represented himself as the following:

Vice President of Sales

Head of Development

Vice President of Development

President

**Duties and Responsibilities:**

E-Tickets Software, Inc. was hired by New Year's Nation, LLC to provide on-line ticketing services for New Year's Eve events in five cities. E-Tickets Software, Inc. used its merchant account to process orders and receive payment for all monies (minus fees due to E-Tickets Software, Inc.) due to New Year's Nation, LLC. E-Tickets Software, Inc. was contractually obligated to send a weekly payment to New Year's Nation, LLC for all monies (minus fees) received: "A weekly Payment will be sent to Licensee from Licensor minus all Merchant fees and per ticket fees" (Contract signed on 10/18/06).

**Was suspect given a written or oral description of his/her job duties and responsibilities):**

Aaron Mortensen provided a written licensing agreement that clearly delineated E-Tickets Software, Inc.'s responsibility for weekly payments of all monies collected. Aaron Mortensen also made several verbal assurances that all money collected would be transferred in full in a timely fashion.

**6/7. CIRCUMSTANCES WHICH LED TO DISCOVERY OF CRIME/  
OUTLINE OF EMBEZZLEMENT**

In September of 2006, I spoke with several E-Ticketing vendors for my national New Year's Eve party business and ultimately signed an agreement with E-Tickets Software, Inc. on October 18, 2006 for one main reason: Aaron Mortensen assured me that all money collected through his merchant account would be paid out in full to New Year's Nation, LLC on a weekly basis.

I became suspicious of Mr. Mortensen's business practices in the middle of December, 2006 when he repeatedly ignored my requests for accounting reports which detailed all money that had been collected for New Year's Nation, LLC. The first few wire transfers that Mr. Mortensen did send, although late, lured me into continuing sales through E-Tickets Software, Inc. through the end of 2006, the period that Mr. Mortensen knew I would be doing the majority of my business.

In early January, 2007, Mr. Mortensen lied about the amount of money that was still due to New Year's Nation, LLC. He claimed that number was just over \$48,000 (the actual number, I would later discover, was \$97,073.45) and said that my final payment had been wired on January 9, 2007. I asked Mr. Mortensen



on several occasions (via the phone and e-mail correspondence) to send me proof of that transaction. He never did. And that alleged payment was never received.

For the next three weeks, Mr. Mortensen avoided all of my phone calls, refused to respond to any of my messages and ignored almost every e-mail I sent him. On one occasion, Mr. Mortensen did write back and suggested that New Year's Nation, LLC had been paid in full. Closer accounting (which Mr. Mortensen would later verify) revealed that E-Tickets Software, Inc. was holding \$97,073.45 of New Year's Nation's money.

After several attempts to reach Mr. Mortensen, I informed him (via voicemail and e-mail) that if he refused to make final payment that I would discuss this matter in person with the Escondido Police Department. On January 30, 2007, I drove from Los Angeles to Escondido to meet with Detective Damon Vander Vorst and another detective. Both detectives were familiar with Mr. Mortensen since a similar claim had been filed two weeks earlier.

On January 31, 2007, I flew from San Diego to Houston where Mr. Mortensen was attending a trade show sponsored by the International Ticketing Association. I had discussed my tentative trip with the detectives and they both agreed that I should make an in-person attempt to resolve this matter. They also encouraged me to take a picture of Mr. Mortensen after he identified himself, so the photo could be matched against DMV records in the event that they would need to arrest him.

I purchased my ticket to the exhibition hall where E-Tickets Software had its booth and placed one more phone call to Mr. Mortensen. That call was declined. I then approached the booth where Mr. Mortensen immediately identified himself.

Mr. Mortensen admitted that he still owed New Year's Nation, LLC close to \$100,000 and claimed that an inquiry into his merchant account by another party had frozen his funds. Mr. Mortensen assured me that those funds had not been spent elsewhere and that the money was absolutely still in his account. I asked Mr. Mortensen why he had been avoiding all communication with me if the funds were actually there as he suggested. He denied avoiding me.

I told Mr. Mortensen that I would give him an hour and 15 minutes to calculate the exact number that he owed New Year's Nation, LLC and to provide proof that those funds were in his account. When I returned, Mr. Mortensen stated that he owed New Year's Nation \$97,073.45 and that he had come up with a way to make payment in a timely fashion. The details involved him placing a purchase order through another company for computer and scanner equipment that would result in funds becoming immediately available. By his timeline, the purchase order would be approved the next day (February 1, 2007), funds would be available on Friday, February 2, 2007 (or on Monday, February 5, 2007 at the

latest) and payment in full would be wired to New Year's Nation, LLC on Tuesday, February 6, 2007.

Edward A. Scofield, General Counsel for New Year's Nation, drafted an agreement that detailed the amount the E-Tickets Software, Inc. owed New Year's Nation, LLC, the fact that final payment would be wired by February 6, 2007 and that Mr. Mortensen would be obligated to contact me every day until the transfer was complete. Mr. Mortensen signed that agreement.

Mr. Mortensen missed his February 6 deadline and still has not made payment. He claims that the funds he thought would be available immediately were being held by Bank of America's verification process. He also claimed that Bank of America would be allocating the funds to his account in segments. Every day, Mr. Mortensen's story changes. My multiple requests for proof that Bank of America has approved his credit line or that any funds have actually been transferred to his account have been ignored. And none of my phone messages over the last several days have been returned.

All attempts to resolve this matter have failed and I am forced by economic duress to submit this embezzlement packet now. Mr. Mortensen admits that's E-Tickets Software, Inc. owes New Year's Nation, LLC \$97,073.45. He claims that money is in a bank account which has been frozen, but he has yet to provide proof that those funds are actually there. And his alleged attempts to obtain funds elsewhere have yet to be verified.

**8. PROOF OF THE CRIME (EVIDENCE/DOCUMENTS)**

- Electronic version of the licensing agreement between E-Tickets Software, Inc. and New Year's Nation, LLC e-mailed to Detective Damon Vander Vorst on 2/16/07.
- Signed contract dated 1/31/07 in which Aaron Mortensen admits that E-Tickets Software, Inc. owes New Year's Nation, LLC \$97,073.45 and promises payment by 2/6/07.
- City-by-city reports (downloaded from the E-Tickets Software website) which verify the name and amount of every credit card transaction that E-Tickets Software, Inc. processed on behalf of New Year's Nation, LLC through 12/31/06.
- Summary report (downloaded from the E-Tickets Software website) which lists all money collected by E-Tickets Software, Inc. on behalf of New Year's Nation, LLC.
- List of wire transfers sent from E-Tickets Software, Inc. to New Year's Nation, LLC before embezzlement occurred. Total amount received equals \$97,073.45.